



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, January 06, 2015

Electricity

Update: TVA's 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee Ramped Up to 86 Percent by January 6

On the morning of January 5 the unit was operating at 77 percent, reduced from full power on January 4.
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Update: PG&E's 1,087 MW Diablo Canyon Nuclear Unit 1 in California at Full Power by January 6

By the morning of January 5 the unit restarted and was operating at 38 percent. The unit shut by January 1 from 33 percent power to perform repairs to a feed water heater on the non-nuclear side of the plant.
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>
<http://www.sanluisobispo.com/2014/12/31/3421474/diablo-canyon-unit-1-taken-offline.html?sp=/99/177/183/#storylink=cpy>

BrightSource Energy's 184 MW Aggregate Solar Units 8 and 9 in California Reduced by January 5

The units entered an unplanned curtailment of 160 MW.
<http://content.caiso.com/unitstatus/data/unitstatus201501051515.html>

Petroleum

Pasadena Refining Reports FCCU Stable after Snag at Its 100,000 b/d Pasadena, Texas Refinery January 5

Pasadena Refining System reported process instability at the fluid catalytic cracking unit (FCCU) at its Pasadena, Texas refinery. The unit was quickly returned to stable environmental conditions, according to the company.
Reuters, 21:11 January 5, 2015

ExxonMobil Reports Flaring at Its 560,500 b/d Baytown, Texas Refinery January 5

Exxon Mobil Corp reported flaring at its Baytown, Texas refinery. The premature safety valve lift resulted in a safe utilization of the flare system and there was no impact to production, according to a filing with the Texas Commission on Environmental Quality.
Reuters, 22:22 January 5, 2015

Valero Reports Flaring at Its 200,000 b/d Corpus Christi, Texas Refinery January 6

Reuters, 00:29 January 6, 2015

Alon Reports Crude Compressor Snag at Its 67,000 b/d Big Spring, Texas Refinery January 5

Reuters, 17:58 January 5, 2014

Update: Tesoro Reports Normal Operations January 5 after Emergency Shutdown of Three Compressors January 3 at Its 166,000 b/d Martinez, California Refinery

Tesoro Corp said operations were running normally at its Martinez, California refinery and there were no impacts to production as a result of the unplanned event. The refinery on Saturday reported an emergency shutdown of three compressors which led to flaring.

Reuters, 14:55 January 5, 2014

Tallgrass Pony Express, Belle Fourche, and Bridger Announce Open Season to Expand Crude Oil Transportation Services from Montana, Wyoming, North Dakota to Oklahoma

Tallgrass Pony Express Pipeline, LLC, Belle Fourche Pipeline Company, and Bridger Pipeline LLC announced today a joint tariff open season soliciting shipper commitments for crude oil transportation service under a joint tariff from receipt points on the Belle Fourche and Bridger systems in Montana, Wyoming, and North Dakota to delivery points near Cushing, Oklahoma. The binding open season will end on February 4, 2015. Pony Express, Belle Fourche, and Bridger will each expand their respective systems to provide capacity for joint transportation service for those volume commitments and for walk-up shippers in accordance with Federal Energy Regulatory Commission requirements and with the terms and conditions set forth in the open season materials. Pony Express also will expand its design capacity (which will be approximately 320,000 b/d upon completion of construction of Pony Express' lateral pipeline in Colorado) based on any commitments secured in two additional ongoing open seasons scheduled to close January 23, 2015.

<http://news.tallgrassenergyllp.com/press-release/tallgrass-pony-express-pipeline-belle-fourche-pipeline-company-and-bridger-pipeline-ll>

U.S. Oil Drillers Cut Rigs for Fourth Straight Week January 5 – Baker Hughes

The number of rigs drilling for oil in the U.S. fell by 17 this week, as energy companies facing lower crude prices reduced the rig count for the fourth straight week, data from Baker Hughes showed on Monday. The oil rig count dropped to 1,482 in the week to January 2, its lowest level since March, the data showed. The number of oil rigs has declined in nine of the last 12 weeks since hitting a record high of 1,609 in mid-October. The number of rigs remains up more than 100 from the same time last year, when there were 1,378 rigs seeking oil. But analysts said the trend is down, with crude prices sliding nearly 55 percent since the summer. The biggest losses continue to be in the Permian Basin. For a second week in a row, drillers cut five rigs there, bringing the total down to 522, the lowest since April.

http://www.rigzone.com/news/oil_gas/a/136609/Baker_Hughes_US_Oil_Drillers_Cut_Rigs_For_4th_Straight_Week

<http://phx.corporate-ir.net/phoenix.zhtml?c=79687&p=irol-rigcountsoverview>

Chevron Announces Oil Discovery in Deepwater U.S. Gulf of Mexico

Chevron Corporation today announced a significant oil discovery at the Anchor prospect in the deepwater U.S. Gulf of Mexico. The Green Canyon Block 807 Well No. 2 encountered oil pay in multiple Lower Tertiary Wilcox Sands. The well, which was spudded in August 2014, is located approximately 140 miles off the coast of Louisiana in 5,183 feet of water and was drilled to a depth of 33,749 feet. Appraisal drilling will begin in 2015.

http://www.chevron.com/chevron/pressreleases/article/01062015_chevronannouncesoildiscoveryindeepwaterusgulfofmexico.news

Natural Gas

DCP Midstream Reports SRU Shut at Its 70 MMcf/d Fullerton Gas Plant in Texas January 2

DCP Midstream reported low over-pressure vapors to the no. 5 field line to South Fullerton booster engines. Most of the field engines were down for repairs causing the overpressure in the field line to booster and an over-pressure flare on DEA flash tank. Field mechanics got two engines back on line, which helped the field pressure.

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=208037>

Tall Oak Midstream Announces New Natural Gas Gathering and Processing System in Oklahoma's STACK Play

Tall Oak Midstream, LLC announced today that initial natural gas gathering operations were underway on the Tall Oak STACK System. The company's new gas gathering and processing system is designed to serve producers in Oklahoma's Sooner Trend, the Anadarko Basin, and Canadian and Kingfisher counties (STACK) play. The STACK play sits northwest of Oklahoma City and targets the Woodford and Mississippian-age shales. The company expects to commission the system's first processing plant, named the Chisholm Plant, in the third quarter of 2015. Tall Oak's initial STACK System will consist of 150 miles of high- and low-pressure natural gas gathering pipeline, multiple compressor stations and the Chisholm Plant, a state-of-the-art cryogenic processing plant with the capacity to process 100 MMcf/d. Located in Kingfisher County, the Chisholm Plant site will be able to accommodate multiple expansions that could bring total processing capacity to 400 MMcf/d to serve expanding production. Tall Oak is also building a natural gas gathering and processing system to serve producers in Oklahoma's Central Northern Oklahoma Woodford play, known as the CNOW play. Tall Oak's CNOW System consists of 250 miles of gas gathering pipeline and the Battle Ridge Plant, a 75 MMcf/d cryogenic processing facility with nitrogen rejection capabilities located in Payne County, Oklahoma. Tall Oak expects to bring the plant into service at the end of this month.

<http://www.talloakmidstream.com/news/tall-oak-midstream-announces-new-natural-gas-gathering-and-processing-system-serving-oklahoma%E2%80%99s>

Other News

Nothing to report.

International News

Mexico's Three Major Oil Ports Closed Due to Bad Weather

Three of Mexico's major oil export ports along the Gulf coast have been closed due to bad weather, the Communications and Transport Ministry said on Tuesday. Cayo Arcas, Dos Bocas, and Coatzacoalcas have been closed since Sunday. Nearly all of Mexico's crude exports from Pemex, the state-owned oil producer, are shipped from the three ports to Gulf coast refineries in Texas and Louisiana.

Reuters, 12:34 January 6, 2014

Energy Prices

U.S. Oil and Gas Prices January 6, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	47.93	54.09	93.23
NATURAL GAS Henry Hub \$/Million Btu	3.21	3.01	4.40

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. ET. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/ead.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov